

UNITED STATES BANKRUPTCY COURT  
FOR THE SOUTHERN DISTRICT OF INDIANA

In re hhgregg, Inc. Case No. 17-01302-11  
Debtors

MONTHLY OPERATING REPORT  
hhgregg, Inc.

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I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

|                                       |                                |
|---------------------------------------|--------------------------------|
| Signature of Debtor                   | Date                           |
| Signature of Joint Debtor             | Date                           |
| Signature of Authorized Individual*   | 12/24/2018                     |
| Printed Name of Authorized Individual | Date                           |
|                                       | CEO / CFO                      |
|                                       | Title of Authorized Individual |

\* Authorized individual must be an officer, director, or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

hhgregg, Inc.  
DEBTORS AND DEBTORS IN POSSESSION  
Condensed Consolidated Statement of Income (unaudited)

| (In Thousands)                            | For the Period of<br>November 1, 2018 to<br>November 30, 2018 |
|---|---|
| <b>Net Sales</b>                          | \$ -  |
| <b>Cost of Goods Sold</b>                 | -   |
| <b>Gross Profit</b>                       | -   |
| Operating Expenses:                       |   |
| Advertising Expense, Net                  | -   |
| Occupancy Costs                           | -   |
| Data Communications                       | -   |
| Repair and Maintenance                    | -   |
| Company Insurance (Non-Medical)           | -   |
| Employee Benefits                         | -   |
| Wage Expense                              | -   |
| Employee Services                         | -   |
| Travel and Entertainment                  | -   |
| Bank Transaction Fees                     | -   |
| Professional Fees                         | -   |
| Stock Compensation Expense (Benefit), Net | -   |
| Gain/Loss on Early Extinguishment of Debt | -   |
| Depreciation and Amortization             | -   |
| Administrative and Sales Expense          | -   |
| Product Services Expense                  | -   |
| Bad Debts                                 | -   |
| <b>Total Operating Expenses</b>           | -   |
| <b>Operating Income</b>                   | -   |
| Interest Expense, net                     | -   |
| Other Income/(Expense)                    | -   |
| <b>Income Before Taxes</b>                | -   |
| Income Tax Expense/(Benefit)              | -   |
| <b>Net Income</b>                         | \$ -  |

hhgregg, Inc.  
DEBTORS AND DEBTORS IN POSSESSION  
Condensed Consolidated Balance Sheet (unaudited)

| <i>(In Thousands)</i>                              | <b>As of<br/>11/30/2018</b> |
|--|-----------------------------|
| <b>Assets</b>                                      |                             |
| Cash   | \$ -                        |
| Credit Card and Trade Accounts Receivable, Net     | -                           |
| Accounts Receivable - Other                        | -                           |
| Merchandise Inventories                            | -                           |
| Prepaid Expenses and Other Assets                  | -                           |
| Income Taxes Receivable                            | -                           |
| <b>Total Current Assets</b>                        | <u>-</u>                    |
| Property and Equipment, Net                        | -                           |
| Capitalized Financing Fees, Net                    | -                           |
| Goodwill   | -                           |
| Trademarks, Net                                    | -                           |
| Other Assets, Net                                  | -                           |
| <b>Total Assets</b>                                | <u><u>\$ -</u></u>          |
| <b>Liabilities and Stockholders' Deficit</b>       |                             |
| Accounts Payable                                   | -                           |
| Outstanding Customer Deposits, Credits, Refunds    | -                           |
| Unredeemed Gift Card Liability                     | -                           |
| Other Accrued Expenses                             | -                           |
| Deferred Tax Liability                             | -                           |
| DIP Loans  | -                           |
| <b>Total Current Liabilities</b>                   | <u>\$ -</u>                 |
| Deferred Rent                                      | -                           |
| LT Deferred Compensation                           | -                           |
| Other Long-term Liabilities                        | -                           |
| Liabilities Subject to Compromise                  | -                           |
| <b>Total Liabilities</b>                           | <u><u>\$ -</u></u>          |
| Preferred Stock                                    | -                           |
| Common Stock                                       | -                           |
| Retained Earnings / (Accumulated Deficit)          | -                           |
| Treasury Stock                                     | -                           |
| Additional Paid-in Capital                         | -                           |
| <b>Total Stockholders' Deficit</b>                 | <u><u>\$ -</u></u>          |
| <b>Total Liabilities and Stockholders' Deficit</b> | <u><u>\$ -</u></u>          |

hhgregg, Inc.  
DEBTORS AND DEBTORS IN POSSESSION  
Condensed Consolidated Statement of Cash Flows (unaudited)

|   | For the Period of<br>November 1, 2018 to<br>November 30, 2018 |
|---|---|
| <i>(In Thousands)</i>                               |   |
| <b>Cash flows from operating activities:</b>        |   |
| Net cash provided by (used in) operating activities | \$ -  |
| <b>Cash flows from investing activities:</b>        |   |
| Purchases of property and equipment                 | -   |
| Proceeds from sale of property and equipment        | -   |
| Other   | -   |
| Net cash used in investing activities               | -   |
| <b>Cash flows from financing activities:</b>        |   |
| Net Borrowings (Repayments) on Line of Credit       | -   |
|   | -   |
| Increase/(decrease) in cash and cash equivalents    | -   |
| Cash and cash equivalents at beginning of period    | -   |
| Cash and cash equivalents at end of period          | \$ -  |

hhgregg, Inc.

DEBTORS AND DEBTORS IN POSSESSION

Total Disbursements by Filed Legal Entity (unaudited)

(In Thousands)

For the Period of November 1, 2018 to November 30, 2018

| <u>Legal Entity</u> | <u>Case Number</u> | <u>Disbursements</u> |
|---------------------|--------------------|----------------------|
| hhgregg, Inc.       | 17-01302-11        | \$ -                 |

hhgregg, Inc.  
DEBTORS AND DEBTORS IN POSSESSION  
Bank Reconciliations (unaudited)

(In Thousands)

| G/L Acct | Account Name | Bank Acct # | Debtor | Description | Bank Balance | Ledger Balance | As of Date | Reconciled |
|----------|--------------|-------------|--------|-------------|--------------|----------------|------------|------------|
|----------|--------------|-------------|--------|-------------|--------------|----------------|------------|------------|

NOTE: No bank accounts are held by hhgregg, Inc.

**Gregg Appliances, Inc.****DEBTORS AND DEBTORS IN POSSESSION****Total Disbursements to Retained Professionals (unaudited)***(In Thousands)*

|                                |                     | <b>For the Period of November 1, 2018 to November 30, 2018</b> |                      |
|--------------------------------|---------------------|--|----------------------|
| <b>Retained Professionals</b>  |                     | <b>Approved Amounts (1)</b>                                    | <b>Disbursements</b> |
| MORGAN, LEWIS & BOCKIUS LLP    | Legal Services      | \$ 1,878   | \$ -                 |
| STIFEL, NICOLAUS & COMPANY INC | Bankruptcy Services | \$ -   | \$ -                 |
| BERKELEY RESEARCH GROUP LLC    | Bankruptcy Services | \$ 2,423   | \$ -                 |
| DONLIN, RECANO & COMPANY INC   | Bankruptcy Services | \$ -   | \$ -                 |
| ICE MILLER LLP                 | Legal Services      | \$ 1,639   | \$ -                 |
| BINGHAM GREENBAUM DOLL LLP     | Bankruptcy Services | \$ 163   | \$ -                 |
| MALFITANO PARTNERS             | Bankruptcy Services | \$ 66  | \$ -                 |
| COOLEY LLP                     | Bankruptcy Services | \$ 2,087   | \$ -                 |
| PROVINCE, INC.                 | Bankruptcy Services | \$ 542   | \$ -                 |
| DLA PIPER LLP US               | Bankruptcy Services | \$ -   | \$ -                 |
| FAEGRE BAKER DANIELS LLP       | Bankruptcy Services | \$ -   | \$ -                 |
| ASK LLP                        | Bankruptcy Services | \$ -   | \$ -                 |
| GREAT AMERICAN GROUP           | Bankruptcy Services | \$ -   | \$ -                 |
| Total                          |                     | <u>\$ 8,798</u>  | <u>\$ -</u>          |

(1) Approved amounts represent the amount of fees and expenses that were approved by court order for payment by the Debtors to each professional from commencement of the case through November 2018.

hhgregg, Inc.  
**DEBTORS AND DEBTORS IN POSSESSION**  
**Summary of Unpaid Post-Petition Debts (unaudited)**  
**As of 11/30/2018**

(In Thousands)

hhgregg, Inc. (17-01302-11)

|   | Current | 0-30 | Number of Days Past Due |       |         |      | Total |
|---|---------|------|-------------------------|-------|---------|------|-------|
|   |         |      | 31-60                   | 61-90 | Over 90 |      |       |
| Accounts Payable                                | \$ -    | \$ - | \$ -                    | \$ -  | \$ -    | \$ - | -     |
| Wages Payable                                   | -       | -    | -                       | -     | -       | -    | -     |
| Taxes Payable                                   | -       | -    | -                       | -     | -       | -    | -     |
| Rent/Leases-Building                            | -       | -    | -                       | -     | -       | -    | -     |
| Utilities Payable                               | -       | -    | -                       | -     | -       | -    | -     |
| Insurance Reserves                              | -       | -    | -                       | -     | -       | -    | -     |
| Secured Debt/Adequate Protection Payments       | -       | -    | -                       | -     | -       | -    | -     |
| Professional Fees                               | -       | -    | -                       | -     | -       | -    | -     |
| Amounts Due to Insiders                         | -       | -    | -                       | -     | -       | -    | -     |
| Outstanding Customer Deposits, Credits, Refunds | -       | -    | -                       | -     | -       | -    | -     |
| Unredeemed Gift Card Liability                  | -       | -    | -                       | -     | -       | -    | -     |
| Deferred Rent                                   | -       | -    | -                       | -     | -       | -    | -     |
| LT Deferred Compensation                        | -       | -    | -                       | -     | -       | -    | -     |
| Other   | -       | -    | -                       | -     | -       | -    | -     |
| Total Post-Petition Debts                       | \$ -    | \$ - | \$ -                    | \$ -  | \$ -    | \$ - | -     |



hhgregg, Inc.

## DEBTORS AND DEBTORS IN POSSESSION

## Schedule of Federal, State, &amp; Local Taxes Collected, Received, Due or Withheld (unaudited)

(In Thousands)

For the Period of November 1, 2018 to November 30, 2018

|                        | Beginning Tax<br>Liability | Amount<br>Withheld or<br>Accrued | Amount Paid | Date Paid | Check No. or EFT | Ending Tax Liability |
|------------------------|----------------------------|----------------------------------|-------------|-----------|------------------|----------------------|
| <b>Federal</b>         |                            |                                  |             |           |                  |                      |
| Withholding            | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| FICA - Employee        | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| FICA - Employer        | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Unemployment           | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Income                 | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Total Federal Taxes    | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| <b>State and Local</b> |                            |                                  |             |           |                  |                      |
| Withholding            | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Sales and Use          | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Excise                 | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Unemployment           | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Real Property          | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Personal Property      | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Other                  | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |
| Total State and Local  | \$ -                       | \$ -                             | \$ -        |           |                  | \$ -                 |

hhgregg, Inc.  
DEBTORS AND DEBTORS IN POSSESSION  
Accounts Receivable Aging (unaudited)

(In Thousands)

As of November 30, 2018

Accounts Receivable Reconciliation

|   | Credit Card<br>Receivables | Trade Accounts<br>Receivable | Total Credit Card and<br>Trade Accounts Receivable |
|---|----------------------------|------------------------------|--|
| Total Accounts Receivable at the beginning of the reporting period                    | \$ -                       | -                            | \$ -   |
| + Amounts billed during the period  | -                          | -                            | -  |
| - Amounts collected during the period   | -                          | -                            | -  |
| - Other Adjustments (Writeoffs/Credit Memos/Adjustments/Chargebacks/Signifyd Funding) | -                          | -                            | -  |
| Total Accounts Receivable at the end of the reporting period                          | <u>\$ -</u>                | <u>\$ -</u>                  | <u>\$ -</u>  |

As of November 30, 2018

Accounts Receivable Aging

|                                 |             |             |             |
|---------------------------------|-------------|-------------|-------------|
| < 90                            | \$ -        | \$ -        | \$ -        |
| 91+                             | -           | -           | -           |
| Total Accounts Receivable       | -           | -           | -           |
| Amount Considered Uncollectible | -           | -           | -           |
| Accounts Receivable, Net        | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

NOTES

hhgregg, Inc.  
**DEBTORS AND DEBTORS IN POSSESSION**  
**Questionnaire**

|   |         |          |             | Yes       | No   |
|---|---------|----------|-------------|-----------|------|
| 1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.  |         |          |             |           | X    |
| 2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.  |         |          |             |           | X    |
| 3. Have all post-petition tax returns been filed timely? If no, provide an explanation below.   |         |          |             | X         |      |
| 4. Are workers compensation, general liability, and other necessary insurance coverages in effect? If no, provide an explanation below.   |         |          |             | X         |      |
| 5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3. |         |          |             |           | X    |
| Account Name  | Purpose | Business | Acct Number | Bank Name | Date |
|   |         |          |             |           |      |
|   |         |          |             |           |      |